

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 MARCH 2004

| | Notes | 2004 HK\$'000 | 2003 HK\$'000 |
|---|-------|------------------|------------------|
| TURNOVER – DISCONTINUED | 4 | 15,436 | 37,475 |
| Cost of sales | | (14,132) | (29,348) |
| Gross profit | | 1,304 | 8,127 |
| Other revenue | 4 | 565 | 354 |
| Reversal of net liabilities of discontinued operation previously consolidated | 5 | 39,297 | – |
| Provision for doubtful debts | | – | (72,954) |
| Written-off of intangible assets | | – | (2,854) |
| Impairment loss in value of interests in subsidiaries | | – | (49,435) |
| Written-off of amounts due from subsidiaries | | (307) | (59,539) |
| Impairment loss of goodwill | | – | (1,579) |
| Selling and distribution costs | | (868) | (1,902) |
| Administrative expenses | | (3,486) | (9,592) |
| PROFIT/(LOSS) FROM OPERATIONS | | 36,505 | (189,374) |
| Finance costs | 6 | (3,549) | (2,237) |
| PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXATION | 7 | 32,956 | (191,611) |
| Taxation | 8 | – | (29) |
| PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER TAXATION | | 32,956 | (191,640) |
| Minority interests | | – | 36,126 |
| PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS | 10 | 32,956 | (155,514) |
| Earnings/(Loss) per share (cents) | 11 | HK9.04 cents | HK(48.39 cents) |

The notes on pages 25 to 42 form an integral part of these financial statements.